

socialist standard

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Journal of The Socialist Party of Great Britain - Companion Party of the World Socialist Movement

Banking Reform

BEFORE



AFTER



Bully for
Bullion
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Introducing The Socialist Party

The Socialist Party is like no other political party in Britain. It is made up of people who have joined together because we want to get rid of the profit system and establish real socialism. Our aim is to persuade others to become socialist and act for themselves, organising democratically and without leaders, to bring about the kind of society that we are advocating in this journal. We are solely concerned with building a movement of socialists for socialism. We are not a reformist party with a programme of policies to patch up capitalism.

We use every possible opportunity

to make new socialists. We publish pamphlets and books, as well as CDs, DVDs and various other informative material. We also give talks and take part in debates; attend rallies, meetings and demos; run educational conferences; host internet discussion forums, make films presenting our ideas, and contest elections when practical. Socialist literature is available in Arabic, Bengali, Dutch, Esperanto, French, German, Italian, Polish, Spanish, Swedish and Turkish as well as English.

The more of you who join the Socialist Party the more we will be able to get our

ideas across, the more experiences we will be able to draw on and greater will be the new ideas for building the movement which you will be able to bring us.

The Socialist Party is an organisation of equals. There is no leader and there are no followers. So, if you are going to join we want you to be sure that you agree fully with what we stand for and that we are satisfied that you understand the case for socialism.

If you would like more details about The Socialist Party, complete and return the form on page 23.



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Editorial

Libya: job done?

THE 'ARAB Spring' flowered in Libya in February of this year. A series of protests against living conditions, then against the government, quickly escalated into a civil war aimed at removing the dictator Muammar Gaddafi. On 19 March, the British government, with its American and French partners, launched a bombing campaign, ostensibly to 'protect citizens' from Gaddafi's troops. Just six months later, on 15 September, the French president, Nicolas Sarkozy, and the British prime minister, David Cameron, landed in the Libyan capital, Tripoli, to declare, in effect, 'job done'.

But what job is being done? If you're gullible enough to believe the rhetoric of politicians, then Western intervention in Libya was all about protecting citizens from dictators and helping revolutionaries establish democracy. But the real reason for Nato's concern is quite obvious. The real reason is oil.

You needn't take socialists' word for it. Mustafa Abdul Jalil, a former Gaddafi henchman and now chairman of the National Transitional Council, was anxious to assure Cameron and Sarkozy of the intentions of the new regime: "The supportive role of France and Britain will have a future influence. Until now we have signed no [oil] contracts and we will honour all previous contracts. But our friends will have a premier role according to their efforts in supporting Libya," he said (*Financial Times*, 15 September).

Indeed, it's so blindingly obvious that the Western intervention in Libya was about oil that it is instructive to watch commentators who are obliged, for ideological reasons, to deny it.

George Friedman of Stratfor.com, for example, in one of his regular email reports (30 August), said that he "sympathised" with those who thought the war must be about oil and tried to

find "a deep conspiracy" to explain it. But Friedman dismisses the "theory" for the simple reason that Gaddafi "loved selling oil", that he would simply change the arrangements about oil if pressure was brought to bear because he "was as cynical as they come", and it was therefore "not necessary to actually go to war to get whatever concessions were wanted". Friedman then concludes that the official explanation is therefore "the only rational one".

It's a daft argument. Friedman is dismissing a silly theory no one believes in – that there was a "deep conspiracy" to start a war to steal Gaddafi's oil – in order to discredit and dismiss a different theory which is obviously true, but socialist, and hence to be suppressed – the theory, namely, that all capitalist economies have a vital strategic interest in guaranteeing their supplies of raw materials, most crucially oil, and that therefore those countries' states pursue foreign policies with such interests in mind. Formerly, that meant installing and arming the dictatorships the Arab Spring rose up to overthrow. Since the Arab Spring, it has meant scrambling to come up with some other way of installing or supporting regimes that will be subservient to Western capitalist interests.

And it is in this sense that, for now at any rate, the Nato intervention seems to be going so well. For a relatively low cost, and with relatively few Western casualties, Britain, France and America looks like it has got rid of a tyrant they had struggled to control for decades, staged a brilliant PR exercise supporting a democratic revolution in the Middle East, and are about to help install a regime friendly to its vital strategic oil interests in a country with the largest oil reserves in Africa. Job done indeed.

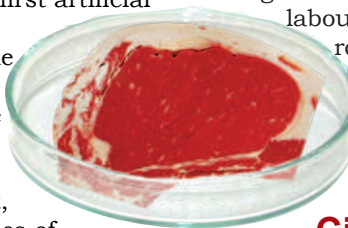
Meat without the bleat

PANDA PIE anyone? How about cheetah chow mein or koala curry? The much-anticipated arrival of in-vitro synthetic meat is almost upon us, with the first artificial pork sausage now an estimated six months away (*New Scientist*, 3 September). Since the animals normally used for meat are those that were historically easiest to domesticate regardless of whether they were the best tasting, this could be an opportunity to get really adventurous. And, come to think of it, why stop at living animals? With the genomes of many extinct animals now in the bag or in the pipeline it should in theory be possible to serve up dodo and dinosaur too. And for the slightly perverse gourmand what about Neanderthal? We could even find out whether it's true what they say about 'long pig'. And all of it pain, guilt and mostly fat and resource-free, according to the hype in which it will surely be packaged. Though no lower in energy consumption than poultry or pork production, in-vitro promises to produce about a tenth of the greenhouse gases associated with beef farming and use around five percent of the water and one percent of the land. Vegetarians should be ecstatic, and meat eaters can stop worrying about ethics. Farmyard animals should be dancing in the barns for joy as the Third Meat Revolution emancipates the worldwide Doner-tariat and slaughterhouses become overgrown with weeds. Fish can swim round the mill pond rejoicing at their imminent return from the brink of extinction.

For socialists with a serious concern for world food supplies this ought to be unequivocally welcome news. Socialism, as a society of universal free access, presupposes material abundance, or at least sufficiency, and food is at the top of the critical list. Though the world could currently support around 10 billion using third world farming methods, the diet would be unenviably drab, and probably less healthy than at any time since the first development of farming. To provide the world's population with the kind of meat diet and general variety the West is accustomed to would take between three and five planets. With this technology however, one of socialism's most pressing problems looks well on the way to being solved.

Hard not to get excited about, surely? Well, we don't want to piss on anyone's mammothburger and chips, but let's just take a moment here. Some scientists anticipate public resistance, citing a 'yuk factor' response as consumers react against this 'unnatural' technology. A thoroughly unscientific straw poll around our office's meat-eaters revealed that, assuming general equivalence in price, two would indeed take this view, since meat 'ought to come from real animals', two wouldn't care, given what goes in today's meat products anyway, and one would be enthusiastic for ethical reasons. This suggests that though the 'yuk factor' is likely to be a real phenomenon, it is not universal. It may only be a temporary reaction too, since 'artificial' foods like quorn have grown in popularity over time. Comparisons with Europe-wide rejection of 'unnatural' GM foods are rather off-beam. People don't just object to GM because it's 'unnatural', whatever that means, but also because it is largely untested and untrusted technology in the hands of untrustworthy corporations, and in the case of the notorious 'terminator gene', blatantly used for the purpose of ruthless profit in defiance of any conceivable human interest.

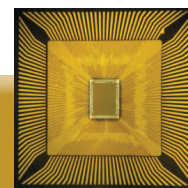
One can hope that capitalism will use in-vitro



technology in the best possible way to produce the best possible products, but one should add a piquant splash of cynicism to that dish. What is just as likely to emerge is something stringy, greasy and anaemic for the labouring classes while the price of 'real' meat rockets along with its upper class mystique. Capitalism will certainly try to wring the best possible profit from the technology, but it may be left to socialism to find the best possible use for it.

Citizens band

Socialists with their own PCs might like to consider donating some free machine time to important scientific research projects, many of which now use distributed networks of home PCs for the huge data-crunching they need. The SETI@home project is probably the most iconic of these, the quest to find extraterrestrial intelligence that has such a remote chance of success that wags have observed they'd do better to mount a search for terrestrial intelligence instead. Now, and with more hope of useful result, the International Centre for Radio Astronomy Research (ICRAR) is requesting home help to process the data coming from radio observatories, including the soon to be built Square Kilometre Array, itself a distributed multiple-dish telescope the effective size of a continent ('Skynet seeks to crowdsource the stars', *BBC Online*, 13 September). This is exactly how we'll do so much science in socialism too, because quite apart from the efficiency of distributed parallel data processing, distributed human participation is the whole point, the whole socialist *raison d'être*. And how amazing to be directly involved in new discoveries! But did they really have to call it Skynet? Wasn't that the name of the rogue system that took over the world and killed everyone in the film *Terminator*? Oooer....



IBM cognitive chip

Capitalism gets smart?

The University of Illinois' Institute for Computing in the Humanities, Arts and Social Science recently announced a study which used millions of press articles to predict unrest in North Africa retrospectively, and which could, say the report authors, be used to predict future conflicts ('Supercomputer predicts revolution', *BBC Online*, 9 September). While the likelihood of future conflicts in capitalism is a total no-brainer, the ability to predict just when and where would clearly be of no small advantage to the world's ruling classes. A not dissimilar claim is being made for a system which links global unrest to climatic conditions, with the observation that conflict rose in tropical countries during hot and dry El Nino periods and fell during cool and wet La Ninas, even independently of local conditions such as droughts and famines (*New Scientist*, 27 August). Meanwhile IBM has built a 'cognitive' microchip with transistor 'synapses' connecting wire 'dendrites' in imitation of a neuron cell in the brain. By connecting such chips together IBM expects to construct a supercomputer with some 10 billion neurons and 100 trillion synapses (the human brain has 100 billion neurons and 100 trillion synapses), and all in about the space of a shoebox – or a brain (*New Scientist*, 27 August). No doubt this paragon will also be pressed into service to fathom the complexities of capitalism and predict future wars, conflicts, slumps and civil unrest. The boundless faith some scientists have in their own gadgets is truly wondrous to behold, as is this farcical idea that they can use them to expose the *hidden wires* of the capitalist system. The chances are they would get as good a level of predictive accuracy, and significantly better analysis, if they just shelled out £1.50 for a copy of the Socialist Standard every month.

Gang culture

Dear Editors

David Starkey was wrong to suggest skin colour played a part in the riots (by saying Enoch Powell had been proved right), but he had a point about youths having been corrupted by a gangster culture (although the guilty gangsters aren't the ones he had in mind).

The gang actually responsible for corrupting and inciting youths is the capitalist gang. Tax avoiders, like Sir Philip Green (who sent a £1 billion dividend offshore a few years back) are celebrated, praised and palsy-walsy with our most prominent politicians who reward their selfish immorality with peerages, knighthoods, CBEs and MBEs.

And it is these same prominent politicians who themselves have had their snouts in the expenses trough for years. It is truly galling to hear the likes of Gerald Kaufman MP asking the Prime Minister how rioters can be "reclaimed" by society, after he submitted a claim for three months' expenses totalling £14,301.60, including £8,865 for a Bang & Olufsen television.

And David Cameron himself, quick to declare, regarding former News of the World editor Andy Coulson, that "everybody deserves a second chance", shows no interest in giving second chances to those who took a pair of trainers or packet of cigarettes from riot-hit stores.

It is this hypocrisy and double standards, with one set of rules for the rich and powerful, and another set for everyone else, that creates underlying anger, bitterness and hopelessness in society which can then suddenly erupt in violent mayhem.

As long as capitalism continues, there will exist a tiny asset-owning elite pursuing ever greater piles of wealth through immoral exploitation of resources and human beings which they should never have had ownership and control of in the first

place.

The most sickening criminality hasn't been seen during the rioting, it's been seen from the corrupt capitalist system aided by successive two-faced cheating governments.

MAX HESS, Folkestone



Wrong: David Starkey

Two countries

Dear editors

We actually live in two different countries.

On the one hand, we have a tiny minority of people, who own and control this land of "theirs". On the obverse side of the coin, we have us, the vast majority whose only real possession, is our ability to labour, to use our mental and physical abilities, to earn a wage or

salary.

The businesses we toil for do not belong to us. Our only interest is our salary or wage, at the end of the week or month. There ends our interest in the firms that employ us.

According to the Land Registry, 75 percent of the land mass of the UK belongs to approximately 1400 people. I am not one of them, are you? The figures on share ownership are similarly skewed, with less than 1 percent of the population owning over 99 percent of all marketable shares!

We live in two different countries. For the mouth-pieces of capitalism to say "we are all in this together" is arrant lies and nonsense. Whether said by Coalition or Labour figures makes not one jot of difference to us, the majority.

They own, we do not. We labour and toil, they do not. We are



leaves on the capricious winds of capitalism's speculation, they are not. We worry about the price of food, energy, housing etc and all the fluctuations of this system, they do not.

Capitalism is not "fair" to the vast

continued on page 21

Socialist Party Merchandise

TEESHIRTS:

Blue with polar bear and 'If you were a polar bear, you'd be a socialist' plus party website address. **Yellow**, with blue and green globe 'The world is a treasury for all' plus party web site address on.

Sizes: S, M, L, XL, XXL.

MUGS:



One style: 'Duet' - Red and white with 'Only sheep need leaders' and website, with 'Famine? War? Pollution? Capitalism is the Problem. World

Socialism s the Solution" and party telephone number.

PENS:

Blue and white, with blue ink 'Only sheep need leaders' and a sheep plus party website. Red and white, with blue ink 'Workers of the world unite' plus party website Black with black ink. 'Only sheep need leaders!' and a sheep plus party website.

BASEBALL CAPS:

navy blue, with embroidered "World Socialist Movement" on.

BALLOONS:

different colours, with "World Socialist Movement".

Prices:

Tee shirts £7.00 each (**state size when ordering**). Mugs £5.00 each. Pens £0.50 each. Baseball caps £5.00 each. Balloons 15p each.

Postage and packaging

£2.50 for the first £10 and then £1.50 for subsequent £10 worths or part thereof. Please send cheque or postal order (no cash) made payable to SPGB SW Regional Branch, c/o Veronica Clanchy, FAO: South West Regional Branch, 42 Winifred Road, Poole, Dorset. BH15 3PU. Any queries, please phone 01202 569826. Please include own phone number or other contact details.



Politics, Poverty and Gods

TO KEEP the world ticking over, it seems, God occasionally needs a little help from believers with political clout.

Although, as we are told, God is all-powerful and all-knowing and should therefore be quite capable of identifying problems and sorting them out by himself, the US Presidential hopeful Rick Perry decided recently that a couple of things needed to be brought urgently to God's attention, namely the state of the economy, and America's declining moral standards.

The way to go about this is, apparently, a seven-hour, 30,000-strong rally of prayer and fasting. Those attending and praying for God's intervention to halt America's national decline included anti-gay and anti-abortion campaigners, Christian bikers and soccer moms (whatever they are). Gay relationships and abortion are two issues which Perry is passionate about. "There is hope for America," he told them all. "It lies in heaven, and we will find it on our knees".

His attempts to get God's attention have not always been particularly successful. In April, he announced a three-day vigil of prayer to end the drought in Texas. But Texas is still suffering its worst drought since 1895. Perry, however, is undeterred. Demonstrating the kind of political oratory that made America



what it is he went on, "The nation that forgets God is turned into hell".

"Father," he pleaded, "Our heart breaks for America. We see discord at home. We see fear in the marketplace. We see anger in the halls of Government, and as a nation we have forgotten who made us, who protects us, who blesses us, and for that we cry out for your forgiveness".

How effective the praying will be in kick-starting the economy we don't know, but as for the fasting part of the operation, well, the burger and other fast-food stands were said to have done a roaring trade. Fasting is obviously very hungry work.

Meanwhile in Somalia where the fasting is not just a voluntary stunt, Allah's interests are being looked after by the Islamist al-Shabaab insurgent group which controls most of the southern part of the country.

As if poverty and famine were not enough for the people to cope with, al Shabaab have been carrying out amputations and stonings of alleged criminals, enforcing mosque attendance, denying that there is a famine and banning aid groups including the UN World Food Programme. Numerous humanitarian workers and local journalists have been killed.

According to the New York Times on 17 August, while this is going on tens of thousands of Somalis are dying and as much as half the food aid delivered is going missing. Al-Shabaab, though, are ensuring that the people's morals are not corrupted by the West. They have banned the baking and eating of samosas, a local food item, because they are a Christian symbol.

Forget about religion being the heart of a heartless world. Life (and death) here must be sheer hell.

NW



In his first speech as president of the Worldwide Wildlife Fund UK, Prince Charles has warned that he is an "endangered species" and that so is the rest of mankind:
<http://tinyurl.com/42ynh7l>

YOU reduce, reuse and recycle. You turn down plastic and paper. You avoid out-of-season grapes. You do all the right things. Good. Just know that it won't save the tuna, protect the rain forest or stop global warming. The changes necessary are so large and profound that they are beyond the reach of individual action:
<http://tinyurl.com/3uf2oxy>

He [John Bird] sums himself up: "I am a self appointed grandee of the poor. I am one of them who got out and got into a position to help, so I will mollycoddle Lord Mandleson, Cameron, Blair, and Brown, anyone if it helps." He remains refreshingly critical about the magazine: "I don't want to read The Big Issue and read how miserable it is living under capitalism. I want to know what you're going to do about it, how you going to dismantle it:
<http://tinyurl.com/4yuuq7xf>

Michael Gove slackens rules on use of physical force in schools. Education secretary seeks to stem 'erosion of adult authority' by recruiting former male soldiers to the classroom:
<http://tinyurl.com/42t8caz>

It will take another 98 years for women executives to reach equal pay with men at the current rate, the Chartered

Management Institute reports. Men are paid on average an extra £10,546, although women saw pay rises of 2.8 per cent this year compared to men's 2.3 per cent, and women are now securing equal or higher starting salaries:
<http://tinyurl.com/3j26xc9>

...When we decided to keep Hirohito on his Japanese throne, we winnowed down the number of Japanese war criminals to be hanged. Oddly, it was Churchill who wanted the worst of the Nazis to be executed on the spot; it was Stalin who wanted a trial. It all depends, I think, on whether criminals are our friends (Stalin at the time) or our enemies (Hitler and his fellow Nazis), whether they have their future uses (the Japanese emperor) or whether we'll get their wealth more easily if they are out of the way (Saddam and Gaddafi). The last two were or are wanted for killing "their own people" – in itself a strange expression since it suggests that killing people other than Iraqis or Libyans might not be so bad:
<http://tinyurl.com/4ypoifb>

Three hundred and fifty thousand: That's a conservative estimate for the number of offenders with mental illness confined in America's prisons and jails. More Americans receive mental health treatment in prisons and jails than in hospitals or treatment centers.
<http://tinyurl.com/6k6mmkb>

Ester Abeja has experienced both physical and emotional atrocities. She was captured by Uganda's feared rebel group the Lord's Resistance Army (LRA) and was forced to join them. But not before the soldiers made her kill her one-year-old baby girl, by smashing her skull in, and then gang raped her:
<http://tinyurl.com/3o5ve5r>



How long will it last?

'Permanent crises do not exist', Marx once wrote (in Part 2 of *Theories of Surplus Value*), by which he meant that a check to capital accumulation brought about by overproduction would not be permanent; the slump itself would create the conditions for capital accumulation to resume.

This tells us nothing about how long this might take. That depends on the particular circumstances of each period of slump. Sometimes recovery might be fairly quick. Sometimes it might take longer, as two capitalist bosses have recently reminded us.

Sir Martin Sorrell, chief executive of the advertising agency WPP, has ventured the following opinion as to how long the present slump might last:

"Going cold turkey and weaning the economy off the stimulus drug is clearly painful and will take some time," he said. "The nearest historical parallel to the latest recession, which started... in August 2008, seems to be the Great Crash of 1929, which took at least ten years to recover from – a long, hard slog." (*Times*, 25 August)

His fellow capitalist Terry Smith, chief executive of the inter-dealer broker Tullet Prebon, went even further back in time. He was reported as saying that:

'the world was heading for an inevitable and necessary recession. "It's something we have to have," he said, dismissing governments' efforts to stimulate the economy as "trying to push a piece of spaghetti". He likened the present post-crisis era to the Long Depression after the 1873 banking crisis – which, according to some historians, lasted for 23 years. "People are going to realise they are a lot poorer than they used to be," Mr Smith said.' (*Times*, 1 August)

While the one capitalist envisages at least ten years of pain (for others) and the other looks forward as "necessary" to people (not him) being "a lot poorer than they used to be", *Times* economic journalist, Anatole Kaletsky, is not so brutal. He thinks that this will only happen if the governments of the leading capitalist countries don't get their act together:

'Sooner or later, the private sector will recover and generate some kind of economic revival. But it will be a long and painful wait if governments and central banks around the world cannot co-operate to avert another recession.' (*Times*, 10 August)

Could the present slump really last for a decade or more? It's not impossible, as this has already happened twice. The present slump has already lasted for three years and GDP is still a long way from what it was at its peak in 2008. So it's not going to be a short one.

The truth is we don't know and can't know. There is a lesson here. The prolonged depression of the 1870s and 1880s led Engels to comment in his preface to the English edition of *Capital* that was published in 1886:

'The decennial cycle of stagnation, prosperity and crisis, ever recurrent from 1825 to 1867, seems indeed to have run its course; but only to land us in the slough of despond of a permanent and chronic depression.'

He gave as an explanation that 'while production increases in a geometric, the extension of markets proceeds at best in an arithmetic ration.' Events proved him wrong on both counts, a warning to socialists not to draw hasty conclusions from the situation in the middle of a slump.

The future course of capitalism is largely unpredictable. All we can say with certainty is that it is an irrational system subject to swings from boom to slump which have nothing to do with the level of actual human needs.

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Gold: a strange delusion

AS OF writing the recent record high price for gold was \$1,882.33 per oz. The rise in price over the last few years has been near exponential after many years of slow decline since the big blip upwards in the late 1970s at the time of an economic crisis. For graphics see www.goldprice.org which illustrates that the gold price now is nearly nine times what it was a decade ago, or six times if you take inflation into account. Is there anything to which this sharp increase can be attributed . . . ?

According to various sources total mined gold from known history to the end of 2009 amounted to approximately 165,000 tonnes (5.3 billion ounces). Valued at one of the high prices of 2011 – \$1750 per oz – one tonne would be worth \$56.26 million and the total tonnage more than \$9.2 trillion. Now this figure happens to be less, much less, than the total money circulating in the world. As there has been no gold standard for many years now, the system which ‘promised to pay the bearer on demand’ gold in return for the bearer’s paper money, the question has to be raised, what then is the point of gold?

Figures for 2008 show world gold holdings fall into three main categories; jewellery at 52 percent, central banks and investments at 34 percent, and industrial use at 12 percent. The remaining 2 percent is unaccounted for (source: World Gold Council). India is the major market for jewellery where it is prized for dowries, as the bride’s price for her wedding. Gold, being malleable, ductile and one of the least reactive elements, has a number of industrial uses too including in dentistry, electronics, electric wiring, photography, electromagnetic radiation and de-icing for cockpit windows.

In common with most mining operations there is plenty of evidence cataloguing health and safety problems and both short and long term environmental damage associated with the extraction of gold from the earliest times and still continuing. A few examples will suffice to present some of the social and environmental effects on workers, communities and their land and water. One wedding ring can involve the excavation of 2.8 tonnes of earth and rock, leaving behind waste contaminated with acid and heavy metals which leach into the ground and water system. One tonne of gold can produce 3 million tonnes of toxic waste. Some estimates say that 50 percent of future gold will come from lands inhabited

by indigenous people, at the expense of the pollution and depletion of their water. Land is leased cheaply to corporations which make huge profits with little or no investment in long term benefits for local people or clean up of their environment. Ecosystem impacts can be huge and range from poisoned water killing local fisheries, loss of habitat and biodiversity to cyanide and mercury contamination of ground and water and early deaths from industrial illnesses.

A study of the Zaamar Goldfield placer mine in Mongolia, an area home to traditional reindeer herders, has shown that environmental problems could be ‘curtailed at minimum cost by sensible design and operational practices described in the report.’ The environmental impact of a single ‘placer’ mine, usually in a river system and employing dredging or draglines is ‘fairly limited but cumulative impact of 20 active mines on local grazing economy will be negative long after mining has ceased.’

Another example in Bergama, near Izmir, Turkey, is the Ovacik mine which has had a turbulent history on account of the level of public protest against the use of cyanide so close to their village and their fresh water facilities. This project has passed through the administration of a number of different companies from several countries and has been stopped on various occasions by acts of court both in Turkey and Europe only to start up again. This September tours have been arranged for interested investors. With gold prices so high there is sure to be interest.

People from all around the world have their own individual stories to tell regarding the extraction of gold and its impact on their health, on their community and on their environment. Rarely do they relate a positive impact. The positives of gold mining all seem to leave with the gold. Capitalism and capital’s protectors work in many ways – accumulation through colonisation and neo-colonialism, control of assets and raw materials using questionable methods, and protection of assets and interests abroad often through war by proxy or outright invasion. There has been some speculation regarding a reason for NATO’s involvement in Libya. Whilst Libya’s gold stocks are small on a world scale, it has been claimed plans for an African gold dinar with which to trade oil and maybe other commodities rather than continue to use the American dollar worried certain circles in the West.

The point of gold? Accumulation by exploitation and often speculation for profit, fuelled by a manufactured desire for conspicuous consumption. Or, viewed from a post-capitalist perspective – when speculation for profit is a thing of the past, when wars for acquisition of raw materials have ended, when gold is recognised merely

as a necessary component in manufacturing – world stocks will prove to be of ample sufficiency for production for use needs for decades if not even centuries. Add to this if ever the human race supersedes its emotional or social need for baubles then the worldwide stock of jewellery can also be incorporated into more beneficial use for humankind generally. When eventually more gold does need to be mined it can be done with minimum impact on both people and the environment.

JANET SURMAN





Order...Order...

When it comes to the Speaker of the House of Commons, whose style do you prefer? Stagnantly traditional Douglas Clifton Brown (1943-1951) and Sir Harry Hylton-Foster (1959-1965)? Knee breeches, silk stockings and silver-buckled shoes under a QC's black silk gown with a train, mourning rosette and full-bottomed wig? Or, determinedly iconoclastic, the first woman speaker Betty Boothroyd (1992-2000) and the first Roman Catholic Michael Martin (2000-2009) who flagrantly defied precedent and dressed to assert a more approachable style? And now the holder of that intimidatingly ancient office – the sparky, abrasive, overbearing John Bercow, the first Jewish Speaker– all done up in an estate agent's lounge suit with a High Street shirt and tie and a teacher's classroom gown? Bercow long nursed an ambition to be Speaker and now he has let us know, in no uncertain terms, that he has arrived in the Chair.



John Bercow

His impatient triumphalism has been seen by some armchair psychologists as a reaction, predictable in a taxi driver's son from a London suburb, to being an MP in a party burbling with public school toffs. Supporting this analysis is the fact his entire political career has been mottled with an expressed inability to settle into accepting any notion that he is less than hugely superior to those who confront him. He got a First Class Degree at the University of Essex, where his professor recalls him as "...pretty stropky... an outstanding student". But in spite of these talents he was able to ignore his family background as Jewish immigrants from Romania to the extent that he joined the Monday Club, becoming secretary of its Immigration and Repatriation Committee and then, when standing for the Monday Club Executive Committee, demanding a scheme of "assisted repatriation" of immigrants (rather like the British National Party today). However his ingrained tendency to fall out with any organisation of which he was a member was working and when he was 20 he left the Club. He now says he is ashamed of ever having been a member, which was "...a crazy thing for a young Jewish man to do".

Tebbit

After graduating he was elected as chairman of the National Federation of Conservative Students (FCS) until it was disbanded in 1987 by the Party Chairman Norman Tebbit who viewed it as "too right wing". We may well wonder how an acknowledged right wing bloodhound like Tebbit could be uneasy about any such organisation. In any case Bercow then found his political prospects revived when Tebbit appointed him Vice Chairman of the Conservative Collegiate Forum – the successor of the FCS. After a spell as a councillor for the London Borough of Lambeth and applying for the candidature of several Tory constituencies Bercow was selected to fight the ultra-safe seat of Buckingham, which he has represented since the 1997 election. As an opposition MP he was appointed as party spokesman on a number of issues which, until he more or less exhausted his options, gave

him enough opportunities to display that his university professor had not misjudged his character.

In 2002 he resigned from the Front Bench after voting in defiance of a Three Line Whip on the Labour government's Adoption and Children Act, then openly estimated that his furious boss – Ian Duncan Smith – was as likely to guide the Tories to a win at the next election as "...meeting an Eskimo in the desert". Maintaining the momentum, he clashed with his next minister Michael Howard over taxes, immigration and Iraq. Any tolerance on Howard's part was exhausted when Bercow confessed to agreeing with Ann Widdecombe's notoriously adhesive suggestion that there was "...something of the night" about Howard and his leadership style. After Howard sacked him it seemed unlikely he would again be offered a place on a Tory Front Bench. The Speakership seemed an acceptable alternative but it needed quite a bit of manipulation to place himself in position to win it; to begin with he had made himself unpopular in the Commons with his persistent sneering at other Members while correcting their mistakes in grammar and syntax. For another he had ingratiated himself with the Labour Party by producing some advisory work for them. In the final round of voting for the Speaker in June 2009 Bercow defeated Sir George Young, a lofty Old Etonian personifying landed privilege, the extreme opposite of

the comprehensive boy from the suburbs of North London, by 322 votes to 271. Estimates of how many Tories voted for him were at their highest about half a dozen.

Hostilities

This was an accurate forecast of what to expect from Bercow's speakership, with so many Tory MPs restless at his apparent favouring of Labour backbenchers. Contributing to this, in November 2010 David Cameron exercised his propensity for cheap jokes with a discriminatory effort about



Norman Tebbit

Bercow's diminutive stature. On his part, Bercow has made the Tory leader a special target including telling him, in proper parliamentary verbiage, to shut up – twice during one recent session of Prime Minister's Questions leaving Cameron lost for words. In June last year a Tory backbencher called him a "stupid sanctimonious dwarf"; last July Bercow suggested that a Minister and a backbencher should "leave" the chamber: "...we can manage without you" and in January the Deputy Chairman of the 1922 Committee reminded Bercow that he is "...not fucking royalty". These hostilities are likely to continue as Honourable Members flaunt their particular jealousies and frustrations.

Even before the first vote was cast, behaviour on both sides of the contest for the Bercow speakership did not inspire any confidence in the judgement or the motivation of those Representatives of the People at Westminster. It has given us no reason to believe that our interests – how we live, what we live on, who we live with, what the future holds for us – are safe in their hands, in their decisions on the green benches, in their gossip on the terrace and the tea-room. In the interests of organising a different, humane manner of running our affairs we must draw the conclusion from this episode, as from countless others, that we should have confidence in only ourselves.

IVAN

Banking

Reform:

is it relevant?

Banking reforms are never going to stop capitalist crises.

Last month the Independent Commission on Banking, chaired by Sir John Vickers, published its final report. As expected, it recommended that banks should separate their ordinary High Street activities from their more risky (and more profitable) investment banking (their dealings in derivatives, securitised loans, etc). The aim is to avoid a future bail-out of the whole of a bank in the event of another banking crisis like that of 2007-8. If this happened again a bank's investment arm would be allowed to sink or swim while the proposed requirement for extra capital reserves for the High Street arm should be enough to allow it to weather the storm.

The banks are up in arms and have been lobbying strongly against any such reform because it will hit profits for their shareholders, first, by tying up more of their capital and accumulated profits in reserves and second, by constraining their investment banking activities, since without the prospect of an eventual government bail-out they will become more risky and so more costly to fund. It remains to be seen how successful this lobbying will be, but the government has said it will accept the Commission's recommendations and implement them sooner or later, if later rather than sooner.

Should we as workers care either way? In a word, no. This is an internal problem for the capitalist class, a fight between two of its factions. The non-banking faction is annoyed at having to pay for what it regards as the irresponsible activity of the banks which contributed to making the 2007-8 crisis worse than it would otherwise have been. They don't want to be put in this position again and have been exploiting people's dislike of banks to gain their support for moves towards more bank regulation.

People don't like banks because they perceive them as parasitic on real activity. Indeed they are, but they are still essential to capitalism. Whereas, the role of industry is to profit by investing money in production, to lend industry that money and, in return, receive a share of the profit. Since from the unpaid labour of those who work, banks on parasites.

But don't banks lend to individual workers businesses? Yes, they lend money to buy

as well as to lend workers a



Sir John Vickers

house or a car or some other big expenditure which couldn't be paid out of monthly wages or salaries. Banks naturally charge interest on these loans but calculate that in time they will get both the interest and the loan back out of the future wages of the borrower. So, to this extent, worker-borrowers are affected by the level of interest rates.

Does this mean that low interest rates could be said to be in the interests of the working class? It's not as simple as that because other workers are savers and prefer high interest rates. Some populist demagogues (such as reform-dangling Trotskyists) propose low interest rates for borrowers and high interest rates for savers. At the time of the Northern Rock crisis Militant said that they had "always demanded nationalisation, but on the basis of safeguarding all jobs as well as giving favourable deals to ordinary depositors and mortgage holders" (*The Socialist*, 19 February 2008.) But it's not possible to pay depositors a higher interest rate than that offered to borrowers, as banks (and building societies) get their principal income from the difference between the rate they pay depositors and the rate they charge borrowers.

In any event, this is an academic issue since interest rates are not fixed to benefit workers and there is nothing workers can do to influence them.

How banks work

The Report does provide an insight into how banks work. There's no nonsense here about banks being able to make loans out of thin air by a mere keyboard stroke. Banks are recognised as "financial intermediaries" whose role is to "bring together savers and borrowers". Banks of course do other things as well (such as deal in derivatives and securities, and underwrite share issues). The Report proposes to "ring-fence" a bank's "core economic function of intermediating between depositors and loans" from these other activities. It proposes that only what it calls

"This is an internal problem for the capitalist class, a fight between two of its factions"

"ring-fenced banks" (which will include building societies) should be able to take deposits from and provide overdrafts to individuals and small and medium-sized businesses (fewer than 250 employees). If they choose, they will also be able to accept deposits from bigger but non-financial businesses and make loans to them. Non-ring-fenced banks will not be able to take deposits from or make loans to individuals or small businesses, but they will be able to do everything else they have been doing until now.

The clear assumption throughout the Report is that a bank's loans are financed out of its deposits. Ring-fenced banks will, however, be able to borrow money from the money market in a limited way to cover a short-term need to make payments. Here, the Report makes a reference to the famous (or notorious) cash reserve which banks have to keep to deal with withdrawals, and which forms the basis of so-called "fractional reserve banking". The reserve is not very high now (about 2-3 percent) and doesn't all have to be kept in cash; part may be held as very liquid assets (i.e. assets that can be converted more or less instantly into cash). "Within a bank", says the Report, "the treasury function maintains an appropriately sized pool of liquid assets so that it can be confident of meeting its obligations to pay out depositors and other

Mandated in a ring-fenced bank	Prohibited in a ring-fenced bank
Taking deposits from and providing overdrafts to individuals and SMEs.	Any services outside the EEA or any services, other than deposit-taking and payments services, to financial institutions.
Permitted in a ring-fenced bank	Also, any services to any customer involving activities of the following kinds:
Taking deposits from and providing payments services to any customer within the EEA, including providing current accounts, savings accounts and those investment products which do not give rise to the ring-fenced bank being required to hold regulatory capital against market risk.	<ul style="list-style-type: none"> Structuring, arranging or executing derivatives transactions, as agent or principal. Investing in stock, corporate debt securities, convertible/exchangeable securities, convertible bonds, partnership interests, mutual funds, exchange traded funds, etc.¹ Originating, trading, lending, or making markets in securities (including debt securities, equity securities, derivatives, and asset-backed obligations). However, ring-fenced banks can originate and retain portions of own-label securitisations.² Underwriting the sale of debt and equity securities, including private placements.
Services of the following kinds to individuals and non-financial companies of any size within the EEA:	
<ul style="list-style-type: none"> Lending to consumers and businesses on a secured and unsecured basis, including mortgages and credit cards. Trade finance and project finance. Advising on and selling products from non-ring-fenced banks, where no exposures arise for the ring-fenced bank as a result. 	

Extracts from the Independent Commission on Banking.

creditors". The rest of what is deposited with the bank it can lend out (if it can find enough suitable borrowers).

This aspect of banking (which applies equally to building societies, credit unions and savings clubs) has given rise to all sorts of misunderstandings and confusions. Some even believe it to mean that when a bank receives a cash deposit it can immediately make a loan of many times the amount. As stated, the Report doesn't give any credence to this sort of nonsense. It simply takes it for granted that banks make loans out of deposits.

The Report does propose a new capital ratio requirement. This is the ratio of a bank's own capital to its assets (loans) and is not the same as the cash reserve requirement. The Report suggests that this should be "at least 10 percent of risk-weighted assets". This would not normally restrict the amount a bank can lend, nor is it intended to. The money to build up its capital to the required level would not come from depositors but from the bank's profits or from a share issue. Similarly, a ratio in excess of 10 percent would not mean that the bank would lend more. The Report sees this as increasing a bank's "loss-absorbing capacity, and is trying to ensure that banks have enough capital and accumulated profit to sustain a potential big loss.

The Report does not go the whole hog and propose a complete separation of "ring-fenced banks," as was done in America from the 1930s till 1991. Lloyds, HSBC, Barclays, etc can continue to exist as universal banks, but they will have to take legal steps to "ring-fence" their lending and deposit-taking to and from individuals and small businesses, and so separate them from their investment activities. No doubt the banks are already thinking up ways to get round this and, when the present crisis is history, to launch a campaign for de-regulation.

One thing that the banking reform will not do is to stop another economic and financial crisis, as some politicians are suggesting. We hold no brief for the banks but they did not cause the present slump. This was caused by capitalism's tendency to overproduce for particular markets in a boom, not by monetary policy or institutional arrangements, even if they were an exacerbating factor. So, no banking reform is not going to eliminate the boom/slump cycle that is built-in to capitalism.

ADAM BUICK

A view on the crisis: Paul Mattick

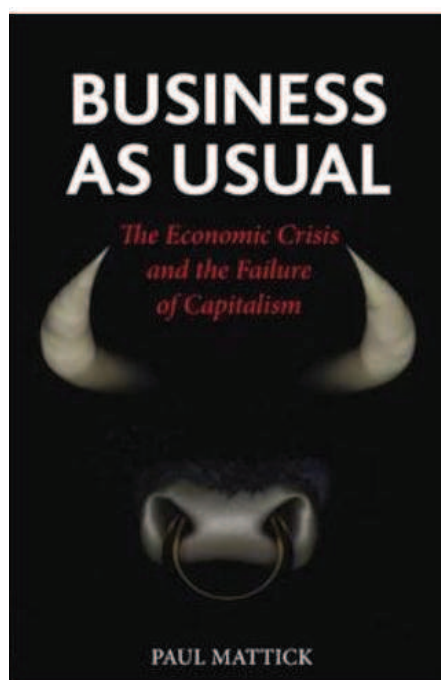
The Marxist economist and author Paul Mattick Jnr talks to Stuart Watkins about his views on Marx, the economic crisis, and the prospects for socialism

Socialist Standard: In your recently published book, *Business As Usual* (reviewed in the May 2011 *Socialist Standard*), you give an account of the causes of our present economic situation. Could you summarise the argument for our readers? In your view, just what is this crisis all about really?

Paul Mattick: This crisis, like those that have punctuated the history of capitalism since the beginning of the nineteenth century, is due to the inadequate amount of profit produced by workers in the capitalist economy, relative to the amount required for a significant expansion of investment. This problem, which first made itself known in the post-World War II period in the mid-1970s, has been hidden by the enormous expansion of debt – public, corporate, and even private – since that time, which continued the expansion of debt in all capitalist nations in response to the long-lasting deep depression of the 1930s. The credit-money created by governments and spread throughout the system by financial institutions created the basis for an apparent prosperity, though one marked by the usual cyclical pattern of ups and downs. But the underlying problem made itself visible, for those who cared to look, in many forms – the persistent inflation of the 1960s, the ‘stagflation’ of the following decade, the debt crises of Latin America and eastern Europe, the currency crises, real estate busts, stock market crashes, and massive bank failures of the last thirty years, as well as the general tendency, worldwide, to substitute speculation for real capital investment. Finally, the capacity of



Paul Mattick Jnr



the system to put off dealing with its underlying problem seems to have reached its limits at the end of 2007.

SS: According to most commentators in the mainstream press, the Great Recession, though

serious, is now over. Do you agree that it is?

PM: Between the time you asked this question and the present moment, many have become anxious about the arrival of a ‘double dip’ recession. In my opinion, the so-called second dip is merely the continuation of the crisis that began in 2007. There are of course economic fluctuations throughout periods of depression as well as periods of prosperity; in addition the government stimulus after 2008, however inadequate, had a certain effect (for instance in China, where the state promotion of an enormous real estate bubble involved the importation of machinery and other goods from Europe and elsewhere). But the fundamental problem, the low profitability of capital, has not been overcome.

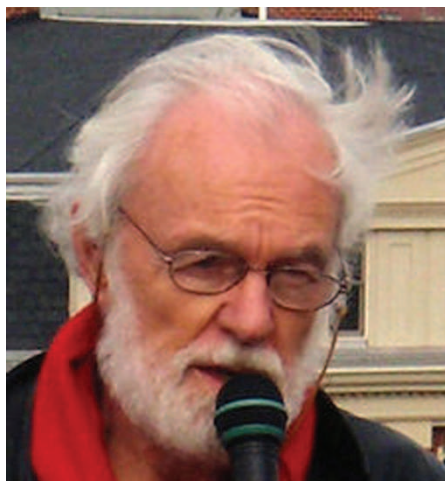
SS: And in your view, the low profitability of capital can be explained by Marx’s law of the tendency of the profit rate to fall? Can this law be demonstrated to be true empirically?

PM: Yes to your first question; your second raises complex issues. The theory Marx worked out in *Capital* is an extremely abstract one: it is an attempt to analyze the dynamics of capitalism as a global system, over the long term. It is couched in terms of the quantities of ‘socially abstract labour’ – labour performed in the production process as represented by money when products are bought and sold – because Marx looks at capitalism as fundamentally, like all social systems, an organization of the process of reproducing the human population (and its social relationships). But in the world of

business, money is used to symbolise more than the actual activities of social production – it represents, for instance, claims on the social product based on the control of natural resources, and also – to a large extent, in fact – promises to pay in the future, promises to pay off bets made on the way production prices will work their way through the market. And national income statistics, even ignoring the enormous inaccuracies involved in calculating them, are drawn up on the basis of business accounting systems and orthodox economic theorising, which do not distinguish between actual productive activity and speculative hopes. As a result, the data available cannot really be used to prove or disprove Marx's theory.

This is not to say that Marx's ideas can't be measured against experience. His predictions need to be compared with the history of capitalism over the last 200 years. From this perspective, Marx's ideas come off very well, as the main tendencies he predicted for capitalism – towards the supplanting of human labour by machinery, the concentration and centralisation of capital, the spread of wage labour, the tendency towards widespread unemployment, and above all the recurrence of periods of depression – have been realised. In fact, I would say that Marx's theory of the tendency of the rate of profit to fall over the long term is the only convincing account of the business cycle that there is. A particular aspect of this is of personal interest to me: in the 1960s, my father, Paul Mattick, wrote a book, *Marx and Keynes*, challenging the generally accepted view that Keynesian methods could control or eliminate the business cycle. He asked: if Marx is right, what will happen? And what he predicted has in general come about. This is one of the very few examples of a successful prediction in the social sciences!

SS: Could you expand on your claim that the tendency of the rate of profit to fall is the only convincing explanation of the business cycle? Perhaps the most important new work to emerge from the Marxist tradition on crisis in recent years is that of David Harvey. He says, on the contrary, that the tendency of the rate of profit to fall cannot be made to work – it's too compromised by the countertendencies identified by Marx, among other objections. He instead views all the conflicting Marxist accounts of the business cycle – profit squeeze, underconsumption,



David Harvey

disproportionality – as possibilities that represent but don't exhaust possible departures from balanced growth. What is your view of the competing Marxist accounts of crisis, including Harvey's?

PM: Many Marxist writers have taken some version of the tack Harvey follows, invoking a variety of causal factors to explain crises.



Malthus

The problem with this is that these disparate factors are not operating on the same analytical level. If wages would really squeeze profits, accumulation will decline, putting downward pressure on wages, so this will quickly correct itself. This is why, so far as we can tell from statistics, there have been no notable profit squeezes associated with important downward movements of the economy, despite claims sometimes made that there have been. Similar considerations hold for disproportionality explanations: capitalism in fact is always developing disproportionally, as there is no central regulating agency, but this is also constantly subject to correction by market forces. The explanation of crisis by reference to underconsumption is one of the oldest – it dates back

to Sismondi and Malthus in the early 19th century – but also one of the least convincing: clearly, not all the product can ever be consumed, or else there would be no capital accumulation; as well, a constant feature of the system cannot explain the crisis cycle. As Marx points out, of course there is a lack of effective demand in a depression period. But why? His answer is that accumulation – which *equals* as it determines demand (for consumer goods, via wages, and production goods) – slows in response to declining profitability. And this is in accord with what statistical information we have, as was demonstrated long ago by the American economist Wesley Mitchell and has been recently shown by a number of researchers. Of course, the profits of statistics are, as I have pointed out, not the profits of Marx. But Marx's theoretical considerations provide an explanation for the fluctuations of observable business profits. What is odd is the resistance



Sismondi

to Marx's theory when it is in such good accord with the history of capitalism. I believe this is largely due to the fact that most theorists are still in thrall to the economists' idea of capitalism as a naturally self-regulating system. Thus Harvey, for instance, needs to find a *reason* why it goes out of balance. In fact, however, capitalism is always in disequilibrium. On the broadest scale, it is the crisis that makes continued accumulation possible, just as it is accumulation that leads to a lowering of the rate of profit.

This highly abstract statement ignores the counteracting factors, the list of which Marx borrowed from J.S. Mill. It is not hard to show – it was done by Grossmann and others – that over the long run these factors cannot overwhelm the tendency of profits to fall. But we already know

this empirically, since the history of capitalism demonstrates the effects of a periodically falling profit rate.

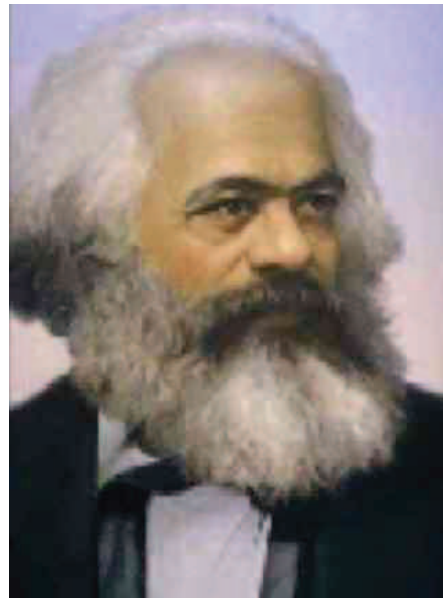
SS: You say your father was proved right and Keynes wrong. But many supporters of the system would say that Keynesian methods saved capitalism from a Great Depression in the 1970s, and led to the Great Moderation – with capitalism delivering generally and gradually improving prosperity for all and monetary policy moderating the ups and downs of the business cycle. Did that not prove Keynes right? Might the same tricks not work again and pull us out of our present crisis?

PM: I think it's fair to say that Keynesian methods saved capitalism from a deep and long depression in the 1970s. But the cost was the rising level of government debt in all capitalist countries. In the 1980s and after this was joined by an unparalleled expansion of corporate and private consumer debt. What happened around 2007 was that this expansion of debt collided with the continuing failure of the capitalist economy proper to expand at a sufficient rate. So one could say that the chickens of 1975 have come home to roost in the current depression. And since the Keynesian card has already been largely played, capitalist governments are now torn between fears of further unraveling of the private-property system and the dangers of further increasing sovereign debt.

SS: Your father was connected with our American party, occasionally publishing in its journal. In a newly published biography of one its members (see <http://wspus.org/2011/02/role-modeling-socialism>), we see you as a child sat at your father's knee while political discussions raged around you. Do you have memories of these times? What is your memory and present opinion of the WSPUS and our political tradition generally? You say in your book that the heyday of the left and the trade unions is over and there's no hope of reviving them. So what can be done? What's the alternative?

PM: My memories of the WSP are very good ones – I liked the people involved very much. I still remember going to classes in Marxian economics in Boston, taught by Rab and others, in some ways my real initiation into radical theory. I remember, with equal pleasure, the 'socials' – parties – when we kids moved around the legs of smoking, drinking, discussing, lovely adults. But I think these experiences, precious though they are to me as

an individual, belong to the past. For most of today's young people – and most of their elders – the political ideas of the past have little meaning. And not only ideas – the political movements of the past no longer exist as serious forces. The trade unions have long been in decline world-wide, and the political parties of the left are either fully integrated



“Marx’s ideas come off very well, as the main tendencies he predicted for capitalism...have been realised”

into the capitalist political system or have become minute, unimportant sects. To an extent, this is good, as it seems to me that leftwing political organizations have historically stood in the way of creative responses to social crises, obsessed as they have been with their own agendas. But in any case, the response to the coming depression and the suffering to be imposed on people by the world's masters (and nature, as a result of the workings of the capitalist economy) is something people will have to work out for themselves, with little help from the past, in response to evolving conditions. To solve their problems, people will have to take direct, concrete action – occupying empty housing, seizing stocks of food and other goods, and eventually, if all goes well, occupying and beginning to operate the means of production and distribution. This lies in the future, but already one can see steps in this direction, in phenomena like the Greek cry 'We won't pay!' and French

occupations of defunded schools. Even the action of tens of thousand of young Spaniards, simply meeting in the centre of Madrid and other cities, like the Egyptians in Tahrir Square, to discuss politics, is a step towards autonomy from the political wing of the ruling classes, a step towards an autonomous working-class control of social life.

SS: We see your point, but we would also say that as people begin to work these things out for themselves, they will also probably be drawn to some of our conclusions: namely, that state power will have to be reckoned with in an organised way, and alternatives to the present system discussed and agreed upon. That's at least a possibility, isn't it?

PM: Both of your points seem to me quite true. We can already see the state mobilising its forces in defence of capitalist social relations, even when they are barely challenged, and radical confrontation with the current social order will definitely involve finding ways to counter the military forces that will be deployed. Meanwhile, exploring alternatives to the present system, after a long period during which even the idea of an end to capitalism has been nearly unthinkable, is of great importance. This is especially true because earlier models of social change have been rendered obsolete by the development of capitalism as a system: for instance, an idea like that of the network of workers councils so important to revolutionary thought after the First World War requires thoroughgoing reformulation in a period when large numbers of workers have insecure jobs, and no longer identify themselves as workers within particular industries, not to mention workplaces, while gigantic masses of people all over the world struggle to exist without employment, and when many production processes involve workers and workplaces in different countries, as when Chinese workers assemble iPhones from parts produced in other places. Then, the developing ecological catastrophe raises novel issues which will require serious, large-scale efforts of a technological as well as a social nature. At the same time, the growing proletarianization of the world's people and the greater level of international integration of populations and cultures, make the old slogan of "world revolution" in some ways more realistic than ever before.

SS: Thank you, Paul, very much for talking to us.

СССР Коммунистический миф Социалистический

Russia - the myth of socialism

On the 21st August this year, the 20th anniversary of the failed coup against Gorbachev by Leninist-Stalinist hardliners in the USSR, Tony Brenton, former ambassador to Russia, wrote an article in the Times headed, "The siren voices calling for a revival of Marxism ignore the tragic lessons of its past". We explain that what happened in Russia between 1917 and 1991 had nothing to do with Marx or with socialism or communism.

Karl Marx was not simply volunteering his name to a way of life that would exist in post-capitalist society. Throughout his years of intensively investigating capitalism, his main purpose was to expose that system as the final form of class exploitation while demonstrating that it had created the economic potential for the establishment of universal freedom.

Both Marx and his co-worker, Frederick Engels, referred to that universal freedom as socialism or communism (two terms they used interchangeably). Marx did not attempt to draw a detailed picture of socialism. At the time he was writing, capitalism was still a rapidly developing system, so when the working class came to abolish it, the particular level of development it had by that time achieved would have an obvious bearing on the structure of the new society. What he did show, repeatedly and with clarity, was the part played by commodity production, wage labour and money in capitalism's process of exploitation and, thus, their necessary extirpation from life in socialism.

Mid-nineteenth-century capitalism, though a burgeoning economic system, had not economically matured to the point where Marx's vision of a classless society where free access to needs would be the mode of distribution could be realised. Against the possibility that working class political demands might exceed the economic capacity of the system to deliver, Marx and Engels envisaged a period of working-class hegemony over the processes of production that would allow for the

speedy development of production to the point where free access to need was possible.

It was a reasonable thesis in the circumstances of the time but, given its political distortion by Lenin it was to prove seriously damaging to the Marxian concept of socialism. Ironically when Lenin used this argument in 1917, the historical circumstances that had led Marx and Engels to their view no longer existed. Capitalism's rapid development had created conditions where a majority of the working class were capable of undertaking the conscious, democratic and political action to bring about a revolutionary change in the base of society, and made the question irrelevant.

Both the economic and political basis for a revolutionary change were absent in Russia in 1917. The Russian proletariat was a small fraction of the mainly peasant population. The Bolshevik slogan was 'Peace, Land and Bread', hardly a

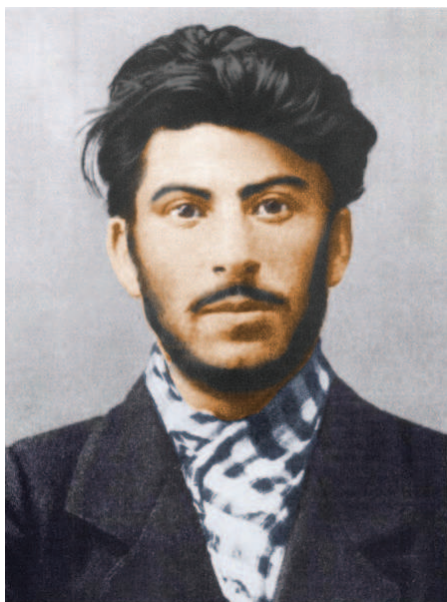
sophisticated slogan of socialist revolutionaries. Lenin might well have thought of Engels's admonition that a leader gaining power in circumstances that do not permit the implementation of his principles necessarily comes into conflict with those principles. Socialism was not on the political agenda in Russia alone nor did the Bolshevik coup provoke the hoped-for social revolutions elsewhere in Western Europe.

Josef Stalin, who by an ironic inversion of the 'Great Man' theory of history subsequently became the Lucifer of the Left and the architect of evil in the Russian empire, wrote a pamphlet called *Socialism or Anarchism* in 1905 in which he correctly summed up the Marxian view of socialism:

"Future society will be socialist society. This means, primarily, that there will be no classes in that society... [this] also means that with the ending of exploitation, commodity production and buying and selling will also be abolished..." (www.marxists.org/reference/archive/stalin/works/1906/12/x01.htm).

Obviously material conditions in Russia in 1917 could not accommodate the establishment of socialism, so Lenin moved the goalposts, changing the Marxian objective to suit the realities existing in the country. Capital development through state monopoly was the only option open to him and the Bolshevik Party, but in a monumental act of political dishonesty that would bear heavily on the world-wide working class into the future he proclaimed that socialism was state-capitalism





Stalin in 1902

and a mere stage on the way to communism

So the State became the national capitalist and the Bolshevik Party the ruthless state boss enforcing a dictatorship over the workers in a frenetic effort of capital accumulation. Not only was Russia in the rigid control of a dictatorship but Lenin and the Bolshevik Party were clearly not opposed to the emergence of a single dictator; thus in a speech on the 31 March 1920 to the Ninth Congress of the Bolshevik Party, Lenin declared:

"We are thus reiterating what was approved two years ago in an official resolution of the All-Russia Central Executive Committee! (...) namely, that Soviet socialist democracy and individual management and dictatorship are in no way contradictory, and that the will of a class may sometimes be carried out by a dictator, who sometimes does more alone and is frequently more necessary" (www.marxists.org/archive/lenin/works/1920/mar/29.htm).

Many contemporary exponents of Leninism ascribe the awful saga of totalitarian rule that emerged from this sort of thinking to Stalin. Yes, Stalin did head the list of political gangsters that terrorised Russia following the Bolshevik Revolution, but it was the elitist nonsense promoted by Lenin, as evidenced above, and the undemocratic political structures established by the Bolshevik Party that created the pathway to the massive evils of Stalinism.

Unfortunately today a common rejection of socialism is based not only on the Russian experience but also on the tyranny that Leninist thinking and political strategy enforced elsewhere as 'socialism'.

RICHARD MONTAGUE.

What is Socialism?

Socialism is a model of organisation of society as a whole, incorporating the entire world without borders, the like of which has never before been experienced. Although maybe seemingly a utopian idea to be scoffed at by some, if we are of the opinion that capitalism has proved to be a harmful and divisive system for the vast majority of world population and that numerous signs are pointing to its ever accelerating accumulation at the expense of the world's working class then we must offer an alternative reality in clear and unambiguous terms. This is an attempt to clarify some of the questions thrown up in discussion as to the form and aspirations of such a model, a broad canvas with space for individuals to insert their own ideas and interpretations.

First and foremost socialist society is based upon the common ownership of all of the means of living by all of the world's people. For it to work, those people need to make it work, by cooperating together to produce the myriad goods required by individuals and society as a whole, to produce our food and to provide all the various services that constitute a comfortable satisfying life. They need to supply, equip, manufacture, mine, furnish, grow, teach, create, administer, distribute, service, facilitate. Whether manual or cerebral, ground-breaking or routine, all production is the result of physical work and/or mental effort plus the time taken to achieve the desired ends.

At present all that work is undertaken by workers mostly for the benefit of the rich. Capitalism has demonstrated over the years that the working class is merely a tool to be used in the interests of capital. Governments have demonstrated that they are the enforcers of capitalism's rules not the facilitators of policies which are directed at putting the interests of people first. Socialism on the other hand constitutes a society

of self-liberated former wage slaves firmly in control of their own lives in the here and now and into the future. Here we have the producers who collectively possess all that is produced and whose democratic control determines what is produced, when, where and how it is produced and also organises when, where and how it is distributed. This is a system built on transparent, open debate aiming to be totally inclusive and working for the best interests of the vast majority of world population.

Socialist society embraces the maxim 'from each according to ability to each according to need' and recognises all the different capabilities and contributions of each member of our human society. Those who, for whatever reason, (eg sickness, physical or mental disability or incapacity) are incapable of contributing still qualify to satisfy their self-declared needs as full members of this society. This is a society of cooperation and empathy based on social capital and tangible benefits for all, one which supersedes the former outdated system which functions on the overriding principle of pursuing and satisfying the profit motive for the benefit of the few.

As socialist consciousness develops, enabling the working class to free itself of all former constraints and restrictions to bring about the emancipation of the whole of humankind, society evolves to be inclusive of all without distinction of race, gender, intelligence or cultural norms. This emancipation is solely the task of the working class itself and is reliant on the great majority understanding and accepting the case that capitalism has never been and can never be organised to work in

their own interest. As a consequence they have chosen to struggle together to get rid of the capitalist system which favours the few, the capitalists, and replace it with socialism, a cooperative system in which all can play a positive, active role without the negatives of competition.

Being inclusive and cooperative a socialist system has no use for legal structures relating to or enforcing oppressive social relations. Most of what is crime today is likely to become extinct since the main motivation for these crimes, property, the profit motive and money, will have been removed. You can't have the crime of bank robbery if banks don't exist, nor fraud, embezzlement or forgery when there's no money.

Common ownership means that stores, restaurants, amenities, supplies and services are freely available to all without differential entitlement, so 'robbing' a store of goods that are free anyway would make no sense.

A world without borders brings freedom of movement to a world society. With no rich elites fighting each other over land or resources, the armed workers of the world-who presently kill each other in the interests of the rich will also happily find themselves unemployed and able to follow some other more constructive and less dangerous occupation.

Fears over housing, food, health and education - fears which affect a large majority of the world's people - will be relegated to the past. Socialist society's top priorities will be the provision for all of

accommodation, services, access to food, unconditional lifelong health care and education for life. No one need go hungry in order to stay warm; no one need die of the cold; no family or single person need sleep on the street or in unsuitable, insanitary conditions; no child need die before their fifth birthday for want of nutritious food, clean water or preventive medicine; no one need suffer from waiting in a tiered health system or because they cannot pay; no one need go without the education they wish to have. This is the meaning of free access for all, but it will take collective work to make it so.

And who does this work? Whoever can. Think of socialism as a global voluntary sector. 'Work' is not dictated to the volunteer but decided by the volunteer: it is a vocational occupation, fulfilling both a sense of responsibility to one's community 'according to one's ability' and a desire for a meaningful activity which fulfils personal aspirations. Whatever the chosen work, conditions are determined democratically by those who are involved in that work. Health and safety are prime considerations as is, wherever possible, a pleasant work environment. Some may choose a single occupation because it satisfies a personal need or because the time investment in training is heavy, eg clinical surgery. Others might involve themselves in a variety throughout their lives or even throughout each month, week or day. Travel for some is the motivation to apply their skills in different locations

whilst others are content to remain in one place.

The planet's physical condition is also extremely important to a socialist society. Whatever our collective resource requirements, whatever manufacturing facilities are required, in every area care for the ongoing health and sustainability of our environment is always a prime consideration. Best practice can be applied in all areas because there are no demands to cut corners for profit. Of equal importance is our human physical and mental welfare and with the removal of former negative constraints from daily life humankind moves on to a level of awareness and self-confidence resulting in an unprecedented level of inclusion and involvement in social affairs.

The culmination of the struggle results in the awakening of billions, people from all corners of the globe recognising their similarities and celebrating their differences, realising their long-suppressed potential, their goal of living in harmony and cooperation, of doing no harm, living in a stateless, classless world with no leaders and no followers, organising their own communities and participating fully in policy and decision-making. You can call it what you like, but we call it socialism.

JANET SURMAN

WEB RESOURCES

Websites

The World Socialist Movement, made up at the moment of active parties in Britain, the US, Canada and New Zealand, has a website at:
www.worldsocialism.org

These parties have their own website which can be accessed through here or directly:
www.worldsocialism.org/spgb
www.wspus.org
www.worldsocialism.org/canada
www.worldsocialism.org/nz

Forums

The WSM also runs an open discussion forum, to which anybody, socialist or not, can contribute as long as they respect the rules. It has contributors from all over the world:
http://tech.groups.yahoo.com/group/WSM_Forum

Meetup

Our meetings page is at:
<http://www.meetup.com/The-Socialist-Party-of-Great-Britain/>

Blogs

The SPGB has its own blog at:
<http://socialismoryourmoneyback.blogspot.com/>
 Some branches have their own blogs. For instance the Scottish branches here:
<http://socialist-courier.blogspot.com/>

Some individual members have set up their own blogs or websites. We won't list them all as some have proved to be ephemeral or are not kept up, but here's a few. As will be seen, as befits a diary (of which blogs are a variety) the blogs can also contain material about the blogger's musical preferences or the sporting team they support:
<http://mailstrom.blogspot.com>
<http://impossiblist.blogspot.com>
www.theoryandpractice.org.uk

Social Network

Members have set up MySpace and Facebook pages:
www.myspace.com/socialiststandard
www.myspace.com/socialistpartyofgb
www.myspace.com/worldsocialism
www.myspace.com/socialistpartycanada
 SPGB - www.facebook.com/group.php?v=wall&gid=89558217699
 World Socialist Movement - <http://www.facebook.com/group.php?v=wall&gid=89558217699#!/group.php?gid=4940054730&ref=ts>
 World Socialist Party U.S. - <http://www.facebook.com/group.php?v=wall&gid=89558217699#!/pages/World-Socialist-Party-US/122169628813>
 Socialist Party of Canada - <http://www.facebook.com/group.php?v=wall&gid=89558217699#!/group.php?gid=2379710336&ref=ts>

Resources

WSM material is also available on other sites. Past articles by three SPGB members can be found on Marxists Internet Archive:
<http://www.marxists.org/archive/fitzgerald/index.htm>
<http://www.marxists.org/archive/hardcastle/index.htm>
<http://www.marxists.org/archive/lawrence/index.htm>

Video

A 50-minute video "Capitalism and Kids Stuff" can be found here:

<http://socialist-tv.blogspot.com/2008/02/capitalism-and-other-kids-stuff.html>

Videos of meetings can be found on You Tube but accessed through here:
www.worldsocialism.org/spgb/video.html

Audio

Audio recordings of meetings and debates, some going back to the 1970s and 1980s, can be found at
www.worldsocialism.org/spgb/audio.html
 and on the experimental site at
www.theoryandpractice.org.uk/wsmtemp

Languages

This French site has articles from our publications in various languages (not just French):
<http://bataillesocialiste.wordpress.com/limpossibilisme-anglo-saxon>

Other language sites are:

French:

<http://socialisme-mondial.blogspot.com>
 and

www.facebook.com/pages/Socialisme-mondial/54629267263?ref=mf

Italian:

<http://socialismo-mondiale.blogspot.com>
 and

www.myspace.com/socialismomondiale

Spanish:
<http://marcos-msm.blogspot.com>
 and

<http://espanol.groups.yahoo.com/group/movimientosocialistamundial>

German:

www.wiederaneignung.blogspot.com

Swedish: The Swedish section of the Marxist Internet Archive is in the process of publishing all the issues of the magazine and pamphlets published by the Swedish WSM group there in the 1970s and 1980s:

www.marxists.org/svenska/tidskrifter/vs/index.htm

www.marxists.org/svenska/tidskrifter/vsh/index.htm

More articles in French can be found on the SPC site at

<http://www.worldsocialism.org/canada/enfranca.htm>

And in Spanish on the WSPUS site at

www.es.wspus.org/

The WSM site has articles in these and other, European and Asian, languages at

<http://www.worldsocialism.org/othlang.php>



Closing in



on the real scroungers

IF THERE'S one thing workers hate it's seeing some lazy bugger living it up without getting a proper job. Quite right too. But instead of blaming the rare 'benefits scrounger', skiving on the fiddle for 65 quid a week, how about blaming the real lazy buggers, the idle rich who own everything? None of them have got a proper job - in fact life for them is a permanent holiday, and they're raking in a lot more than 65 quid a week!

And how do they get to be so rich? Where does their money come from? It comes from the work you do, where else? You work so that they can enjoy. You give so that they can receive. You slave your whole life so that they can enjoy fine lifestyles, cars, jets, booze and sex you could never imagine in your wildest dreams - and all at your expense.

Workers like you produce all the useful wealth of the world, but the rich own and control it and you barely get any say at all. And when their politicians and their bankers play one reckless gamble too many, no prizes for guessing who pays the price. You lose your job, your income, maybe your house, maybe even your life. What do they lose? Nothing!

They've bought the politicians because they don't want you to act. And they've bought the media because they don't want you to think. If you vote for their politicians, whether Tory or Labour, you're letting them win. If you buy into their 'debates' you're letting them win. But if you turn your back on the whole business in disgust, guess what, you're still letting them win! And as long as they keep winning, you're going to keep losing.

Of course workers fight back. But it's no good fighting just against this cut or that war. The global capitalist system is a game that's rigged to keep the rich in their place and you in yours, so it's the capitalist system that's your real enemy. And that takes a different kind of fighting. The kind you do with your mind.

You could start by watching the video Capitalism and Other Kids' Stuff at: <http://www.worldsocialism.org/spgb/video.html>



Neither Keynes nor Hayek

ON 26 July Paul Mason, economics editor of the Tonight programme, chaired a debate at the London School of Economics between supporters of the doctrine of J. M. Keynes (1883-1946) and those of F. A. von Hayek (1899-1992). The Keynesians were represented by Keynes's biographer, Lord Skidelsky, and an economist working for an international trade union federation; the Hayekians by George Selgin, professor at an American business school, and Jamie White, an eccentric philosopher. The debate was later broadcast on BBC Radio4 and is available as a podcast.

Lord Skidelsky explained Keynes's basic argument that once capitalism had got itself into a slump there was no automatic mechanism to bring about a recovery; on the contrary, without government intervention to sustain and increase spending, the economy would tend towards an equilibrium position well below full employment. At the start of the 1930's slump Hayek had advocated "liquidate everything" - let failing businesses and banks go under - but, Skidelsky said, you can't cut your way out of a slump.

Jamie White, who is rather more than a Hayekian (more an anarcho-capitalist), said that Hayek was right to have advocated liquidation as the way out of a slump; the businesses that survived would be more efficient and their investments would lead the recovery. To the applause of the clique of Hayekians in the audience, he said that Roosevelt's spending policies had only prolonged the depression of the 1930s. You can't spend your way out of a slump, he said, as had been shown in the 1970s and was being demonstrated again now.

The American business professor said that Keynes had had no theory as to why capitalism got into a slump in the first place. Hayek had; it was that government monetary policy promoting cheap credit encouraged an artificial boom which led businesses to invest in activities that were not sustainable and which would sooner or later collapse. This had happened in the 1920s and was the cause of the present slump when "over-investment" in housing and finance collapsed. Once this situation had been reached the only way out was to let liquidation take its course. There was no painless exit from a slump caused by an unsustainable boom bursting. The only way to avoid a slump was to avoid the preceding boom by not allowing the government to pursue a lax monetary policy. And the way to do this was to abolish central banking and let the market determine interest rates and bank loans.

It is true that Keynes had no truly coherent theory as to why capitalism got into slumps from time to time. On the other hand, the purely monetary explanation offered by Hayek is inadequate. Slumps are indeed caused by "over-investment" leading to overproduction but this comes about through the anarchic pursuit of profits that is part of capitalism. When a boom is underway the market is expanding; competing businesses assume that they will benefit from this and plan to expand their production; in the end production expands more than the market, resulting in overproduction, a financial crisis and then a slump.

When it comes to how to get out of a slump, the Hayekians have a point. Inefficient businesses have to be eliminated. Marx made the same point but from a different position, seeing slumps as part of a boom/slump cycle that was built-in to capitalism, as periods during which, precisely, unprofitable businesses were eliminated as a condition for capital accumulation to resume.

Unlike both the Hayekians (who say slumps can be avoided by governments adopting a laissez-faire monetary policy) and the Keynesian (who say that appropriate state intervention can end the boom/slump cycle), Marx held that there was no formula for steady growth without booms and slumps. For him these were endemic to capitalism, being in fact its "law of motion". They will keep on recurring as long as capitalism does and there is nothing governments could do to stop this.

Irish Trot

Marx and the Alternative to Capitalism. Keiran Allen. Pluto Press.



Professor Keiran Allen is a senior lecturer in Sociology at University College Dublin and his book purports to offer Marxism as an alternative form of social organisation to

a sick and increasingly socially vile capitalism.

Marx delineated the social mores and behavioural culture that dominated and dominates our lives in capitalism, debunking the myths and superstitions originating in a class-structured society. Allen begins his work with a brief history of Marx's life and times followed by an examination and, in some ways, clarification of his key theories, his theory of value and his Materialist Conception of History.

I found Allen's exposition of Marx's concept of alienation engagingly relevant to life in contemporary capitalism where the obscenities of extreme riches and poverty represent ubiquitous fare in the media. This is an increasingly relevant and often neglected area of Marxism in a world where the old traditional 'moral' values and the idea of a harsh Universal Policeman are disintegrating and where the vision of real social reform has been replaced by the visible political effluence of wealth-corrupted politicians.

Unfortunately what Allen offers as a Marxian antidote to the ongoing crisis of capitalism is all his own work.

In the Leninist tradition (he is a leading member of the Irish section of the SWP) he sees the working class, the vital element in the revolutionary transformation of capitalism, as being unfit for purpose; unable to rise to a full comprehension of social freedom and capable only of reacting to the leadership of an informed revolutionary elite. And, like Lenin, he thinks socialism is an indefinite condition, a form of political sticking plaster that may be applied by state regulation to the harsher sores of capitalism to make it less painful. Given his insubstantial perception of socialism it is not so surprising that he has discovered little islands

of it out there existing among the turbulent oceans of world capitalism.

So what is this Marx being offered by Professor Allen as an alternative to capitalism?

Well, first we will have the Revolution – internecine warfare and those nasties that normally engender hatred and division but, guided by the revolutionary elite will, according to Allen, create working-class solidarity and a new (but, it transpires, not very new) social order.

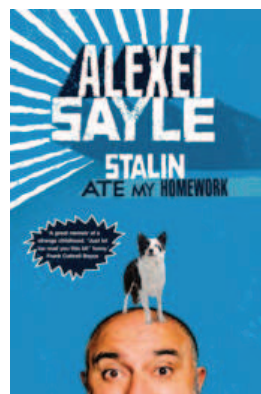
The farmer will still own his field (p.180) and you'll still be able to spend your money in the cafes and local shops but if you work for some of the big companies your new boss will be the state There will still be a need for wages' departments and banks but if you are on the minimum wage you will have the satisfaction of knowing that the pay of those above you in the pecking order be restricted to a maximum of, say, four or five times what you get (p.192)

So, just as after the last Bolshevik Revolution, we will be a society of equals – but some will be more equal than others.

RM

Uncle Joe and Young Alexei

Stalin Ate My Homework. Alexei Sayle. Sceptre. £8.99



It is often said that stand-up comedians are the product of a troubled childhood and in Alexei Sayle's case that meant growing up as a half-Jewish, atheist, Scouse

Marxist. Or at least a Marxist of sorts, because Sayle was brought up in Anfield in Liverpool the son of active Communist Party parents (his father, Joe, was an active trade unionist in the National Union of Railwaymen and incidentally a key witness in the famous Hanratty murder trail).

Sayle's childhood was certainly unusual. Most Liverpool children of his age holidayed in places like Blackpool or Llandudno: his parents took him all over the former Eastern Bloc instead, often as guests of the local ruling Communist Parties.

Sayle says he became a Young Communist as a matter of kinship and faith because his parents were Communists, but in his mid teens and while still at school something clicked intellectually too:

'Once you understand Marx all the apparent chaos of human existence resolved itself into a coherent and comprehensive pattern . . . You can imagine, armed with this philosophy, how full of myself I now became. Even when I hadn't had the secret of human history in my grasp I had been a mouthy little bastard in class. Now I was unstoppable.' Remove quotation marks if indented.

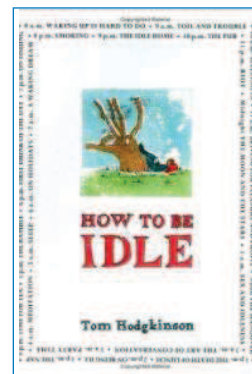
As those who have seen his act will appreciate, Sayle went from being a mouthy little bastard in class to being a mouthy big bastard on stage, and an entertaining one at that. On the way he also had a spell as a Maoist, joining the Communist Party of Britain (Marxist-Leninist) for a while.

His time as a teenage Maoist is where this engaging autobiographical account ends and it is hoped that there is to be a sequel covering his development as one of the original 'alternative' stand-up comedians in the UK.

DAP

The Right to be Idle

How to be Idle. Tom Hodgkinson. Penguin.



Here is a handbook for any would-be socialist wondering what life could really be like in a post-capitalist society. Of course it's not possible to be living a socialist way

of life in a non-socialist world, but this book is full of the pleasures to be had from a way of living totally different from the one we see all around us now. Hodgkinson has an insightful grasp of the iniquities of the capitalist system, its stranglehold on working conditions and its tight control of most areas of our lives. He succinctly identifies many of its outstanding features and, with his own particular brand of humour, hands out lots of good advice for the work-weary, enabling us to open our eyes and see more clearly the life we

should be living. Are we to live an onerous life created for us by this current controlling system or should we choose how we build and live our own individual lives? Do we live by our rules or theirs?

One clue to Hodgkinson's outlook on being an idler is found in a description of his routine: he works in the morning, reading and writing; spends the afternoon in the garden chopping logs and suchlike; and gives the evening over to eating, drinking and talking. 'When work is freely chosen and creative, then it's not really work at all.' He claims not to know much about Marx, but having thought that work was at the centre of his philosophy' he now says he is beginning to understand that Marx's motivation came from 'the boredom and misery caused by the Industrial Revolution and by his own dream to replace that system with something more humane.'

The first step to being idle is to understand our 250 years of indoctrination into the work ethic – a topic Hodgkinson expands on. Understanding that this work ethic is based on guilt enables us to get rid of that guilt and get on with the dreaming. 'Dreams are not about money – they are about you and about your quality of life and imagination.'

Co-founder of the 'Idler' magazine (www.idler.co.uk) and the Idler Academy, Hodgkinson has spent nearly twenty years attempting

(working hard?) to perfect the art of idling. He draws on the work of a host of writers, poets, philosophers and sociologists to support his ideas: Paul Lafargue, Bertrand Russell, Nietzsche, Tom Paine, Oscar Wilde and Lao Tzu, to name but a few. **JS**

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Continued from page 5

majority of us, the population of the Earth. It does not work in our interests. It subverts our nature as co-operative human beings. It and they treat us as dumb adjuncts to the productive process that affords them vast wealth and opulence, whilst at the same time, condemning us, the majority, to the stress, poverty, starvation, homelessness, misery, insecurity, etc, etc, etc, that afflicts our lives every second of everyday, of our lives.

Only a revolution in thought and understanding of this reality will serve to free us from this. Only a working together of us, the disenfranchised and powerless within the present system, capitalism, will ensure that we live in a world where we all can live in dignity, inclusion and empowerment and not in want, insecurity and fear.

STEVE COLBORN, Seaham, Co. Durham.



www.worldsocialism.org



Cleopatra Coming At Ya

"WE'RE GIRLIES from the thirties; wash the dishes, scrub the floor.

When all of a sudden our hubbies went to war.

Did you think we'd shrink in England's needy hour?

You what? 'Course not, 'cos we've got girl power!"

Imagine that sung to the tune of a girl band's hit single, and you've got a taste of the BBC's *Horrible Histories*. The series gives snappy history lessons to kids, told through comedy sketches and pop song pastiches. So, Charles the Second raps about being the "king of bling ... who brought back partying", while "angry chick" Boudicca warns us "don't dis this miss". Palaeontology is explained through a Randy Newmanesque song, and Roman Emperors brag about their atrocities in a pastiche of Michael

Jackson. *Horrible Histories* is just downright bizarre when compared to the po-faced way that history used to be taught to children.

The show was adapted from the hugely popular range of books of the same name, and the franchise has grown to include magazines, video games, live shows and even a proposed theme park. It might be churlish to criticise *Horrible Histories* when it has the laudable goal of making kids interested in history, and which does so in such a lively way. The imagination and energy behind the show can't be praised enough. The only quibble would be that by focusing on our most colourful ancestors, it reinforces the 'great man theory' of history. For a show which aims to breathe new life into the subject, it's a shame that it has such an outdated perspective. But that somehow doesn't matter when you can hear Cleopatra sing "famous beauty coming at ya" in the style of Lady Gaga.

MIKE FOSTER



Meetings

For full details of all our meetings and events see our **Meetup** site: <http://www.meetup.com/The-Socialist-Party-of-Great-Britain/>

Clapham

Sunday **16 October**, 4-7pm

WILLIAM MORRIS: A DREAM OF JOHN BALL

Speaker: Bill Martin

Sunday **30 October**, 4-7pm

Afghanistan: A Pipeline War?

20-minute film with introduction by Gwynn Thomas.

Sunday **13 November** 4-7pm

POVERTY AND THE WORKING CLASS

Speaker: Jacqueline Shodeke.

Sunday **27 November** 4-7pm

CAPITALISM: AN UNHEALTHY OPTION

Speaker: Dick Field.

Socialist Party premises, 52 Clapham

High St, SW4 7UN (nearest tube:

Clapham North).

Chiswick

Tuesday **18 October**, 8pm

KARL MARX OR HENRY GEORGE?

Discussion between Socialist Party and David Wetzel.

Committee Room, Chiswick Town Hall,

Heathfield Terrace, W4 4JN

(nearest tube: Chiswick Park).

Glasgow

Wednesday **19 October**, 8.30pm

RESISTANCE, REFORM OR REVOLUTION

Speaker: Brian Gardner.

Community Central Halls, 304 Maryhill

Road, G20 7YE.

Kent

The next two meetings of the newly-

formed Kent & Sussex branch are:

Sunday, **23 October** at 3.00pm

Sunday, **20 November** at 3.00pm

at the Muggleton Inn (first floor), 8 High Street, Maidstone, ME14 1HJ.

Manchester

Monday **24 October**, 8.30 pm

Discussion on Inequality.

Unicorn, Church Street, City Centre, M4

1PW.

East Anglia

Saturday, **29 October**, 2pm-5pm

PSYWAR: THE REAL BATTLEFIELD IS THE MIND.

Film & Discussion Meeting.

The Workshop (basement)

53 Earlham Road, Norwich, NR2 3AD.



The Socialist Party of Great Britain badge



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Declaration of Principles

This declaration is the basis of our organisation and, because it is also an important historical document dating from the formation of the party in 1904, its original language has been retained.

Object

The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

Declaration of Principles

The Socialist Party of Great Britain holds

1. That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

2. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle between those who possess

but do not produce and those who produce but do not possess.

3. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

4. That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind, without distinction of race or sex.

5. That this emancipation must be the work of the working class itself.

6. That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organize consciously and politically for the conquest of the powers of government, national and local,

in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

7. That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working class emancipation must be hostile to every other party.

8. The Socialist Party of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

ACTION REPLAY

Keepie Uppie

TO THE one who has, as the man said, more will be given. Nowhere in sport is this so clearly seen as in the upper echelons of European club football, where the UEFA Champions League has been arranged so that the most successful and wealthy clubs are all but guaranteed a sizeable income from the competition.

As the European Cup, this was originally structured as a knock-out tournament for the teams that had won the league competition in each country. Before money called the tune in national leagues, this opened the way for teams such as Nottingham Forest to win the final. But the bigger clubs disliked often being shunted into less prestigious Europe-wide competitions and the chance

of being knocked out after just two games.

The 'solution' was to introduce the Champions League, with more clubs from the biggest countries, a league format which ensured a minimum of six matches

and a seeding system that was intended to keep the top clubs apart till the later stages. Massive sponsorship from the likes of MasterCard and Ford, combined with television rights (and global audiences of over 100 million for the final) mean a club can make up to £20m or more from a successful campaign.

One (possibly intended) result of this, combined with the generally increasing power of wealthy clubs and countries, has been to drastically reduce the pool of likely winners. Barcelona has won three times since 2006, and over that period only teams from England, Germany, Italy and Spain have appeared in the final. It's scarcely conceivable that teams like Ajax or Porto (winners in 1995 and 2004, respectively) could win nowadays. Whatever else may be said, football at such rarefied heights is certainly not on a level playing field.

PB



The European Cup trophy when in Liverpool FC's possession

50 Years Ago

Fair Play for Teachers

HOW MANY schoolteachers have spent how much time telling how many classes that an Englishman's word is his bond, and that the road to happiness is paved with honesty and truthfulness?

Anybody who took this seriously must have been shocked by the recent government decisions to ignore the recommendations of the Civil Service Arbitration Tribunal, to restrict the statutory Wage Councils and virtually to destroy the Burnham Committee. And all this from an upstanding Englishman like Mr Selwyn Lloyd!

In fact, the teachers are wasting their time if they are pining for fair play, for there is no such thing in the class war. The Ministry of Education, for ex-

ample, took over the Burnham Committee's functions because the government decided that the committee was being too generous to the teachers.

This makes no sense if we are looking for fair play. But in terms of the conflict of interest between any employer and his employees, it makes very good sense indeed. Teachers as a whole, like many civil servants and other white collar workers have always denied the existence of the class struggle. But it exists for them just as

much as for the miner and the docker.

That is one of the things Mr. Selwyn Lloyd seems to be doing his best to teach them. Let us hope they turn out to be bright, receptive pupils.

(from News in Review, *Socialist Standard*, October 1961)



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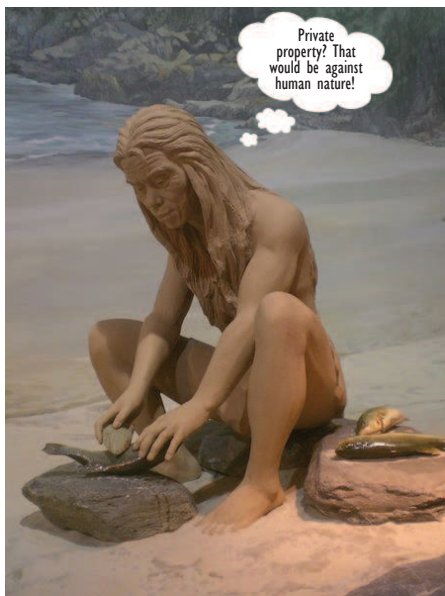
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Voice from the Back

Orwell And Human Nature

When we say that socialism is a society where everybody will work to the best of their ability and take according to their needs – a society without ownership, wages or prices – we are taken to task for our naivety. What about human nature we are asked? We have always explained our position with illustrations from history, but it is unlikely that we could improve on this argument advanced by the writer George Orwell nearly 70 years ago. “The proper answer, it seems to me, is that this argument belongs to the Stone Age. It presupposes that material goods will always be desperately scarce...but there is no reason for thinking that the greed for mere wealth is a permanent human characteristic. We are selfish in economic matters because we all live in terror of poverty but when a commodity is not scarce, no one tries to grab more than his fair share of it. No one tries to make a corner in air, for instance. The millionaire as well as the beggar is content with just so much air as he can breathe” (*Tribune*, 21 July 1944). Inside a socialist society where we can produce an abundance of food clothing and shelter the notion of human nature will indeed seem like something out of the Stone Age.



Dr. Doom and Dr. Marx

You don't often hear of university professors praising Marx or a business journal reporting it, but we must give credit where credit is due. “Economist Nouriel “Dr. Doom” Roubini, the New York University professor who four years ago accurately predicted the global financial crisis, said one of economist, Karl Marx's critiques of capitalism is playing itself out in the current global financial crisis. ...”Karl Marx had it right,” Roubini said in an interview with *wsj.com*. “At some point capitalism can self-destruct itself. That's because you can not keep on shifting income from labor to capital without not having an excess capacity and a lack of aggregate demand. We thought that markets work. They are not working” (*International Business Times*, 13 August). Being a university economic professor he couldn't get it all correct of course. Marx never claimed that capitalism would “self-destruct itself”. That destruction can only come about by the action of the working class.

A Billion Dollar Deal

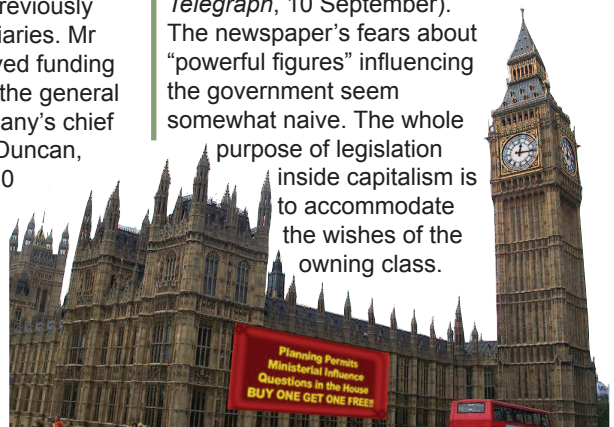
The conflict in Libya has proved to be very profitable for the British oil firm Vitol which has supplied fuel and associated products to the rebels and traded oil on their behalf. The deal is estimated to be worth about \$1 billion. “The deal with Vitol was said to have been masterminded by Alan Duncan, the former oil trader turned junior minister, who has close business links to the oil firm and was previously a director of one of its subsidiaries. Mr Duncan's private office received funding from the head of Vitol before the general election. Ian Taylor, the company's chief executive and a friend of Mr Duncan, has given more than £200,000 to the Conservatives. Vitol is thought to be the only oil firm to have traded with the rebels during the Libyan conflict. Oil industry



sources said that other firms including BP, Shell and Glencore had not been approached over the deal. One well-placed source said this was “very surprising” because other companies would have been keen to be involved” (*Daily Telegraph*, 1 September). The other firms are unhappy with the deal and questions are likely to be raised in parliament. Enquiries are likely to be about how political donors were given the business, but no one will query the accepted fact that war and military conflict is an excellent business opportunity.

Government Paymasters

Legislation by the government to allow house building on previously designated green areas has aroused opposition, but the background to the proposals is likely to cause even more resentment. “Dozens of property firms have given a total of £3.3 million to the party over the past three years, including large gifts from companies seeking to develop rural land. Developers are also paying thousands of pounds for access to senior Tories through the Conservative Property Forum, a club of elite donors which sets up breakfast meetings to discuss planning and property issues. The disclosures are likely to provoke a new “cash-for-access” row and will give rise to fears that planning policies could have been influenced by powerful figures from the property industry” (*Daily Telegraph*, 10 September). The newspaper's fears about “powerful figures” influencing the government seem somewhat naive. The whole purpose of legislation inside capitalism is to accommodate the wishes of the owning class.



FREE LUNCH

